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3301.00.00 HOME AND COMMUNITY-BASED WAIVER SERVICES

There are eight home and community-based services (HCBS) waivers:

- Aged and Disabled (A&D)
- Assisted Living (AL)
- Autism
- Developmental Disabilities (DD)
- Medically Fragile Children (MFC)
- Severely Emotionally Disturbed Children (SED)
- Support Services (SS)
- Traumatic Brain Injury (TBI)

The Medicaid waivers each have a specific number of slots that can be filled in a given time period. When all slots are filled, applicants are placed on waiting lists. The waivers provide special services, in addition to regular Medicaid services, that are designed to allow a person who otherwise would need institutional care, to remain in the community. An individual must meet level of care and cost comparison criteria in order to receive waiver services.

To qualify for services under one of the approved waivers, an individual must meet the "waiver" criteria above and also must meet Medicaid eligibility requirements. There may be two different ways in which a person can be eligible for Medicaid under a waiver: regular Medicaid eligibility rules and special waiver rules. There are variances among the different waivers, and there are special rules for children. This Chapter explains the policies and procedures that are used by the Division of Family and Children in determining Medicaid eligibility under each of the waivers.

Medicaid applications for individuals who have approved waiver slots are processed by the Central Enrollment Unit (CEU) in the DFC central office. Referrals to the CEU are coordinated through the Division of Disability, Aging, and Rehabilitative Services (DDARS) and the Area Agencies on Aging. Applications for persons who will be placed on waiting lists are processed

in the usual manner at the local DFC offices. If a slot becomes available to a current Medicaid recipient, the local DFC office caseworker can determine Medicaid eligibility, however the CEU can be contacted to assist in verifying waiver status, to facilitate problem resolution, or to accept the case transfer. The CEU caseworker and local office caseworker will decide on the best way to process the case.

3301.05.00 CATEGORY SELECTION AND ICES PROCESSING

Permissible Medicaid categories for each of the waivers are listed below. In order to be eligible for services under a waiver, the person must qualify in one of the specified categories.

Aged & Disabled waiver:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI
Low-income Families-MA C

Assisted Living waiver:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI

Autism:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI
Low-income Families-MA C

Developmental Disabilities waiver:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI
Low-income Families-MA C

Medically Fragile Children waiver:

Blind-MA B; Disabled-MA D; MED Works-MADW,MADI

Severely Emotionally Disturbed Children waiver:

Blind-MA B; Disabled-MA D; MED Works-MADW,MADI;
Low-income Families-MA C

Support Services waiver:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI
Low-income Families-MA C

Traumatic Brain Injury waiver:

Aged-MA A; Blind-MA B; Disabled-MA D; MED Works-MADW,MADI
Low-income Families-MA C;

Caseworkers are responsible for entering the appropriate program choice or category selection on ICES, screen AEICP. If the waiver applicant is part of a low-income family applying for health coverage, the program choice of "y" can be entered for the waiver applicant if MA C is an allowable category for the person's waiver. Otherwise "A", "B", or "D" for MA A, MA B or MA D must be selected as the category under which Medicaid will be determined. If a disabled waiver applicant is employed and has gross earnings in excess of the Substantial Gainful Activity (SGA) standard (Section 3046.00), enter the program choice as "y", and the system will determine eligibility under MED Works.

3301.10.00 NON-FINANCIAL ELIGIBILITY REQUIREMENTS

The non-financial requirements explained in Chapter 2400 apply to waivers:

Citizenship/immigration status 2402.00;
Enumeration 2404.00;
State residency 2406.20;
Assignment of medical rights 2434.00; and
The appropriate categorical requirement:
 living with a specified relative in a family with dependent children for MA C 2420.00,
 age for MA A 2410.15,
 blindness for MA B 2412.10, or
 disability for MA D or MADW 2412.30.

3301.15.00 RESOURCE ELIGIBILITY FOR WAIVERS

The resource determination depends on the waiver type, whether the waiver applicant/recipient is a child or an adult, and whether the waiver applicant/recipient is single or married. The following sections explain the different circumstances and how resource eligibility is determined.

3301.15.01 Resource Limits and Methodologies

All of the resource principles explained in Chapter 2600 regarding resource ownership, availability, and exemptions are applicable to waiver applicants/recipients. The following sections explain special circumstances for parental deeming and spousal impoverishment protection.

The Resource Limit for the waiver applicant/recipient is \$1500. When spousal impoverishment protection (3301.15.04) does not apply, the Resource Limit for a married couple is \$2250.

3301.15.02 Parental Deeming of Resources

Resources of the parent(s) of a child under age 18 are not deemed available to the child in the MA D or MA B Medicaid determination if the Special Income Level (SIL) budgeting was used for the financial determination. (Note parental resources are not deemed for MADW and MADI regardless of the child's waiver status, and they are deemed for MA C.)

It is the responsibility of the DFC caseworker to ask the parent(s) of a waiver applicant if he/she wants Medicaid coverage to be considered for the child prior to the waiver start date. The caseworker must explain to the parents that if they want retroactive coverage to be considered, they may have to provide information about their resources. If the child is eligible under a Hoosier Healthwise category other than MA C, resource information is not required for months prior to the waiver as resources are disregarded for the MED 3 categories.

If the parents request Medicaid coverage to coincide with the waiver start date, the caseworker must not ask any questions regarding the parents' resources. All resource information collected for the Medicaid eligibility determination must pertain only to the child.

If the child's income is more than the Special Income Level (SIL) as explained in Section 3301.20.01, eligibility can be determined using all regular resource rules, including parental deeming. If a child fails the SIL test, the parents must once again be given the opportunity to provide their financial information.

3301.15.03 Spousal Impoverishment Protection

The resource eligibility rules for married couples explained in Section 2635.10.10 through 2635.10.10.15 apply to the Aged and Disabled and Assisted Living waivers if the waiver applicant passes the SIL financial test (Section 3301.20.01). If the waiver applicant fails the SIL test, regular resource

rules and limits apply. The special spousal rules do not apply to any of the other waivers.

In determining whether spousal impoverishment protection applies in a given circumstance for an A&D or AL waiver applicant, waiver services are considered in the same manner as institutionalization. For example, a married couple both of whom are institutionalized are not subject to the special spousal rules; similarly, a married couple both of whom receive (or will receive if Medicaid eligible) waiver services are not subject to the special spousal rules. If the spouse of the waiver applicant/recipient is institutionalized, the special spousal rules do not apply regardless of the waiver type. However, if the waiver applicant/recipient is in an approved AL waiver facility, and the spouse is living in the community and is not on a waiver, spousal impoverishment protection is applicable.

The resource assessment (RA) date (or snapshot, as it is sometimes called) is determined as explained in Section 2635.10.10 if the waiver applicant has a prior continuous period of institutionalization or receipt of AL or A&D waiver services.

EXAMPLE

Married applicant was hospitalized on May 10, then discharged after 3 weeks to a nursing home. In December an A&D waiver slot became available to her. Her resource assessment date is May 10.

If the AL or A&D waiver applicant has never had a prior continuous period of institutionalization nor received waiver services, the snapshot date is determined as follows:

1. The date of the Medicaid application is the RA date if it is later than any of the dates below:
 - The date the waiver slot is obligated for the individual
 - The date on which level of care is approved (not effective date)
 - The date on which the waiver Cost Comparison Budget (CCB) is approved.

2. If the date of the Medicaid application is earlier than all of the dates in #1, the RA date is the earliest of the 3 dates in #1.

The Community Spouse Resource Allowance used in the resource eligibility determination is the same as that used for institutionalized situations. Refer to Section 3005.15.

3301.20.00 INCOME ELIGIBILITY FOR WAIVERS

There are two eligibility budgeting methods that may apply to waiver applicants, depending on the type of waiver and whether the applicant is a child or an adult, single or married. These methods are the Special Income Level (SIL) test and regular MED 1 budgeting. A post-eligibility calculation is completed to determine the spend-down amount if the applicant/recipient passes the SIL test.

To summarize, the budgeting procedures used for each waiver for children and for adults are listed below. (Note that the waiver acronyms are identified in Section 3301.00.)

Autism, MFC, SED, TBI waivers

Children - The SIL test applies. Post-eligibility is completed to determine the amount, if any, of the child's spend-down. If the child fails the SIL test, regular MED 1 budgeting applies, and parents' income is counted.

Adults - Regular MED 1 budgeting applies. The budgeting is exactly the same as it is for non waiver applicants and recipients.

DD and SS waivers

Children and adults - The SIL test applies. There is no post-eligibility because the SIL is equal to the Personal Needs Allowance used for the SS and DD waivers.

If the individual fails the SIL test (income is more than the SIL), eligibility must be considered using regular MED 1 budgeting procedures and a spend-down will result, if eligible.

A&D and AL waivers

Children - The SIL test applies. Post-eligibility is completed to determine the amount, if any, of the child's spend-down. If the child fails the SIL test, regular MED 1 applies, and parents' income is counted.

Unmarried adults - Regular Med 1 budgeting applies.

Married adults - The SIL test applies if spousal impoverishment protection is applicable as specified in Section 3301.15.04. If the individual fails the SIL test, regular MED 1 budgeting is used.

3301.20.01 Budgeting with the Special Income Level

The SIL test is an eligibility test used in the MA B and MA D categories that, if passed by the applicant/recipient, is followed by a post-eligibility calculation to determine the amount, if any, of the applicant's/recipient's spend-down. Depending on the situation as explained in Section 3301.20.04, regular or spousal post-eligibility is used, and the amount of the Personal Needs Allowance varies by waiver.

A. The Special Income Level (SIL) standard

The SIL is 300% of the maximum benefit payable under the SSI program. The standard increases annually when SSI increases in January. The SIL effective 1/1/05 is \$1737. Effective 1/1/04 the SIL was \$1692.

B. Waivers that use the SIL test

The SIL test is used for the following waivers in the specified circumstances:

All waivers for children;
The DD and SS waivers for all individuals; and
The AL and A&D waivers for married couples when spousal impoverishment protection is applicable.

C. Persons whose income counts in the SIL test.

The income of the applicant/recipient is included in the SIL test. Income of parents and income of spouses is not included.

D. Countable income in the SIL test

The following income is compared to the SIL. If countable income is equal to or less than the SIL, the person passes the SIL test.

- Gross earnings (no exemptions, and no employment disregard)
- Net rental income (Sections 3420.05, 3420.05.05, 3415.10)
- Net self-employment income (Section 3410.15)
- All gross unearned income except SSI

3301.20.02 Regular Medicaid Budgeting

Regular budgeting applies to all waivers. However, in certain situations it is the second choice budget used only after the applicant/recipient fails the SIL test. The circumstances requiring the SIL test are explained in Section 3301.20.01.

3301.20.03 Regular Disability vs. MED Works

An employed individual whose gross earnings minus IRWEs (Section 3455.07) exceed the SGA level, is not eligible for Medicaid under the Disability category (MA D), with the only exception being a person who is entitled to special 1619 Medicaid (Section 2414.10.10). This is true regardless of whether or not the individual is on a waiver. The proper category is MADW.

3301.20.04 Post-Eligibility Budgeting

The post-eligibility calculation follows the SIL test. The amount of the Personal Needs Allowance varies by waiver and circumstance.

1. DD and SS waivers

Although there is technically a post-eligibility calculation done for applicants/recipients who pass the SIL test, it has no impact. The Personal Needs Allowance is the same as the SIL, so if the person passes the SIL test s/he will never have a spend-down on these waivers.

2. Autism, MFC, SED, TBI, A&D waivers - Children only.

The following deductions are subtracted from the countable income used in the SIL test:

- Personal Needs Allowance \$579 effective 1/1/05 (\$564 effective 1/1/04)
- Health insurance premium
- Non Medicaid covered medical expenses

3. A&D and AL waivers - Married couples when spousal impoverishment protection is applicable.

The following deductions are subtracted from the countable income used in the SIL test:

- Personal Needs Allowance \$579 effective 1/1/05 (\$564 effective 1/1/04)
- Community Spouse Allocation (Section 3455.15.10.10)
- Family Member Allocation (Section 3455.15.10.15)
- Health insurance premium
- Non Medicaid covered medical expenses